THE HON'BLE MR JUSTICE L. NARASIMHA REDDY

Writ Petition No. 13507 of 2007

Dated 09-07-2007

Between:

M. Narshima Reddy

…Petitioner

And

The Deputy Registrar/Divisional Cooperative Officer,
Hyderabad West Division and others

…Respondents

THE HON'BLE MR JUSTICE L. NARASIMHA REDDY

Writ Petition No. 13507 of 2007

ORDER:

The petitioner functioned as Secretary of B.H.E.L Cooperative Housing Society Limited, Barathinagar, Ramachandrapuram,

the 2nd respondent herein, between 1991 and 1994. An inspection under Section 52 of the A.P. Cooperative Societies Act, 1964 (for short '*the Act*') was caused into the affairs of the Society. In his report dated 23-04-1998, the Inspection Officer pointed out certain irregularities. One of the items is, that the petitioner did not account for a sum of Rs.4,64,755/-, collected towards donations of the students, during the academic year 1991-92, and 1992-93.

Based on this report, surcharge proceedings under Section 60 of the Act were initiated against the petitioner, by the 1st respondent. Though several allegations were made, in his order dated 12-08-2002, the 1st respondent held the petitioner, liable to pay a sum of Rs.4,64,755/-, received towards donations from the students. Aggrieved by this order, the petitioner filed C.T.A.No.133 of 2003 before the Co-operative Appellate Tribunal, at Hyderabad. The appeal was dismissed on 29-12-2005. The same is challenged in this writ petition.

Sri J.C. Francis, learned counsel for the petitioner, submits that though the allegations were made against seven persons, the petitioner alone was chosen for surcharge proceedings. He contends that the findings recorded by the 1st respondent, in the surcharge proceedings, are without any basis, and the Tribunal did not appreciate the matter from the correct perspective.

Learned Government Pleader for Co-operation, on the other hand, submits that, as many as three Authorities have concurrently found that the petitioner is liable to be refunded the sum, collected towards donations from the students, and that no exception can be taken to the same.

The report submitted in the inspection, and audit or inquiry

conducted under the relevant provisions of the Act, constitute the basis for initiating surcharge proceedings, under Section 60. It is true that the surcharge proceedings were initiated against several individuals, and various items were pointed out. After undertaking extensive discussion, the 1st respondent found that the petitioner did not account for the amount, received as donation, for two academic years. Therefore, he was left with no alternative, except to require the petitioner to refund the said amount, with interest.

Before the Appellate Tribunal also, the petitioner did not demonstrate as to how the findings recorded in the inspection, under Section 52, or surcharge proceedings under Section 60, are vitiated. The petitioner does not even contend that he was not given adequate opportunity during the proceedings. This Court cannot sit as an Appellate Authority over the findings recorded by the Authorities and Tribunal, under the Act.

No serious procedural irregularity in the proceedings, or patent errors in the orders; are pointed out. This Court does not find any basis to interfere with the same.

The writ petition is accordingly dismissed. There shall be no order as to costs.

L. NARASIMHA REDDY, J.

Dt.09-07-2007

KO